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Cloud-Enabled Organization

**Unlocking business value from your
organization's transition to Cloud**

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Understanding the workforce and organization implications of your Cloud transformation

It's a new world. The workforce is global. Organizational capabilities are global. Innovation at the speed of Cloud paves the way for business transformation so expansive that industries are changing.

Like many organizations, you are likely to be somewhere along on your Cloud journey. You may have already begun implementing Cloud technology in pockets of your organization, including Amazon Web Services (AWS), Google Cloud Platform (GCP), or Microsoft Azure.

Organizations across industries and borders are leveraging the power of Cloud, AI, and analytics to innovate, scale their business, and gain insights about customers and operations. At the same time, they have learned that just focusing on technology and applications is not enough to realize the return on investment (ROI) they want from migrating to Cloud.

So now what?

To become a Cloud-enabled organization and realize the full ROI from Cloud, best-in-class leaders are looking beyond technology to anticipate wider organizational opportunities. They're asking:

> **NOW THAT WE'RE CONNECTED TO CLOUD, HOW CAN WE TRANSFORM OUR WORKFORCE, OPERATING MODEL, AND CULTURE TO TAKE FULL ADVANTAGE OF OUR INVESTMENT?**

New-world business is a human-centered, enterprise-wide strategy for engaging customers who demand integrated solutions—and employees who thrive on multidisciplinary insights. Customers and businesses alike are demanding solutions they know and use as consumers, like those from social media companies, based on Cloud native technology. Organizations thriving on Cloud are all in.

Success requires transformation

Success requires more than just delivering Cloud technology; it also requires preparing your workforce to rethink work in a Cloud-enabled environment and providing the tools, skills, and processes they need to thrive.

Humanizing the Cloud: The key that unlocks true business value

While Cloud transformation has presented technological challenges, many organizations have found change management for the human side of business to be even more difficult. Technology is borderless geographically and organizationally, so new-world organizations need a workforce skilled, equipped, and knowledgeable enough to cross borders, too. That means using Cloud-enabled machine learning and communications to inform decision-making across the enterprise.

To realize full Cloud ROI, organizations leave half-measures behind

Darwin identified adaptability as a key capacity for thriving in any habitat. An organization's competitive advantage is similarly proportional to its adaptability quotient—its ability to adapt to continually changing business environments. Deloitte has identified workforce and organizational enablers to help accelerate the ROI on your Cloud transformation and leave you in a better position to unlock value throughout the enterprise.

While not an exhaustive list, these five enablers of ROI are among the first to unlock business value from your organization's transition to Cloud:

1. **Organization Design**

2. **Capability Development**

3. **Leader-led Change**

4. **Culture Transformation**

5. **Work Re-Architecture**

Deloitte's 5 Human Capital ROI Enablers to lead and accelerate your Cloud transition

Organization Design

Siloed technical teams and unclear **ownership** and governance of some applications driving poor efficiency and outcomes

- Develop an Organization and Functional partnership with IT, Cloud platforms and customers
- Understand the local needs and use of stand-alone applications
- Employ multiple delivery modes to meet united and unique needs
- Establish clear decision rights and governance structures

Capability Development

Scarcity of **critical Cloud skills and competencies** within the organization driving poor literacy and adoption of Cloud solutions

- Understand and prioritize the key Cloud capability gaps
- Assess current capability and map team members into potential future Cloud roles
- Together design development pathways to define a roadmap for transition to Cloud

Leader-Led Change

Insufficient buy in and **endorsement from IT and business leaders** to maximize adoption and business potential

- Develop a compelling narrative and case for change
- Uplift change leader capabilities to lead the transition to Cloud from within the organization
- Design a future roadmap with unique and consistent messages
- Regularly gauge employee sentiment to build the right conditions for constant change

Culture Transformation

The organization is not digitally mature enough to support the cultural shift required for the uptake of **new ways of working**

- Determine how digital the organization is and needs to be
- Create a blueprint that will help bring to life new or increasingly maturing Cloud DNA required to help the Cloud journey
- Infuse the required Cloud DNA into the existing DNA through a series of impactful minimum viable changes (MVCs)

Work Re-architecture

Standardized workforce processes stifle innovation, ignore new tools, waste time, and delay ROI

- Empower workers with agency and choice over the work they do to promote employee engagement and innovation
- Integrate humans and technology so teams use complimentary skills to re-architect work
- Create more opportunities for learning, fun, creativity, and meaning at work
- Use real-time workforce insights to support better, faster decisions
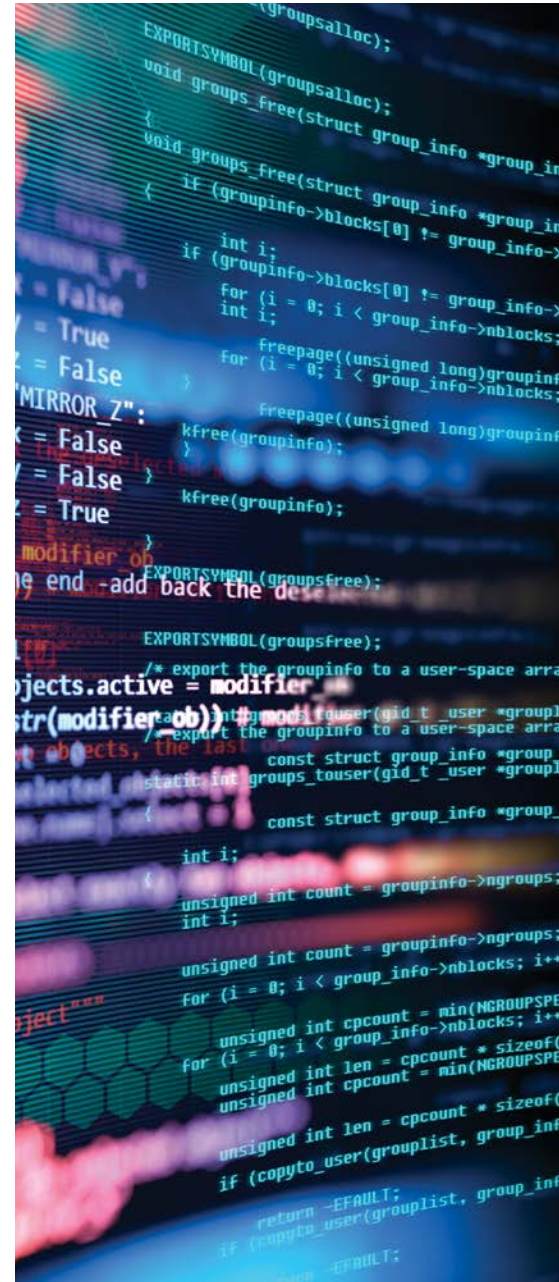
Organization design

Silos left behind. Getting the most out of Cloud requires multidisciplinary teams to learn and work together. Development accelerates when business and technology work together, and Agile, multi-disciplinary teams leverage data from more than one point of view. It requires matching ease of access with ease of understanding so leaders and teams can use data for insightful decision-making. And it requires democratizing data so everyone can access it without gatekeepers and bottlenecks that slow everyone down.

Organizations poised to unlock value from adaptability are asking:

WHAT SHOULD OUR CLOUD OPERATING MODEL LOOK LIKE?

HOW DO WE ENABLE OUR ORGANIZATION TO ACHIEVE BUSINESS GOALS?

HOW CAN WE SUPPORT TEAMS TO BETTER COLLABORATE?

To truly become a Cloud-enabled organization, a focus on technology is not enough. Leaders are also required to understand how individuals and teams operate within this environment. Deloitte's Adaptable Organization Network Assessment (AONA) is a survey-based platform that examines and compares network connections, collaboration patterns, and formal structures to identify areas of optimization or obstruction.

Unlocking these invisible collaboration networks using AONA reveals how the organization operates, showing leaders which teams are prepared to work within a multi-disciplinary environment and which individuals or functions are acting as gatekeepers or bottlenecks and therefore require increased leadership effort. AONA shows you the path towards a Cloud-enabled way of working.

Capability development

Slow left behind. Cloud has one speed—fast—but underestimating the shift required to access the full benefits of Cloud slows down ROI. Organizations poised to unlock value from new workforce capabilities are asking:

> (?) **WHAT ARE THE CRITICAL SKILLS AND CAPABILITIES THAT MY ORGANIZATION NEEDS TO BE SUCCESSFUL?**

> (?) **WHAT TYPE OF SKILLS AND CAPABILITIES CAN BE LEARNED, DEVELOPED, AUGMENTED, OR AUTOMATED BY NEW CLOUD-ENABLED TECHNOLOGIES?**

To better understand workforce readiness to operate in a new Cloud environment, organizations need to understand the current Cloud capability and literacy of their workforce. Deloitte's Cloud Workforce Analytics maps the organization's current-state maturity against future-state aspirations to determine capability gaps and make recommendations for bridging them.

Transferable skills

Traditional job training left behind. Rapid advances in digital, robotics, and cognitive and AI technologies, along with organization and workforce transformation, means organizations need to rethink how work and workforces are designed and deployed. New talent models accelerate growth by identifying transferable skills held by existing people and new hires while creating meaningful careers for employees across the workforce ecosystem. Organizations must identify transferable skills talent brings to the organization and create pathways for workers to transition between industries and roles.

Workforce resilience

Job descriptions left behind. A worker development approach that accepts the dynamic nature of new-world jobs, and the equally dynamic potential of people to reinvent themselves, builds worker and organizational resilience in the face of change. For example, looking outside of your IT organization toward the wider business value of Cloud data helps you assess your workforce potential. Consider your front desk workers: with a capability uplift or reskilling, they can leverage Cloud solutions to capture client data for guiding decision-making.

To thrive in an environment of constant and continuous change, a truly adaptable organization works with "Cloud pods," time-bound teams that adapt to take on high-priority tasks based on data-driven feedback. Small groups of self-organizing people with a variety of competencies can work collaboratively on delivering multiple iterations of a product.

Leader-led change

Patchwork change left behind. Organizational change is ten times more likely to succeed when it is led from within. Only leader-led change can engage the entire organization in transformative, data-driven innovation. Technology changes alone are not enough. You only get the full benefit of Cloud if you fully disrupt old-world operations. Leader-led change asks how to make people aware of Cloud capabilities that enhance rather than replace human capacities. It asks how to give people time to explore and co-design the new world. Leader-led change ensures that transformations support your target operating model across the organization.

Organizations poised to unlock value from leader-led change are also asking:

HOW WELL EQUIPPED AM I TO DRIVE CHANGE AND GUIDE THE ORGANIZATION THROUGH TRANSFORMATION?

WHAT ARE THE KEY CHANGES I HAVE TO MAKE AND WHAT SYSTEMS AND TOOLS DO I NEED TO ENABLE THE TRANSITION TO CLOUD?

HOW DO I SUPPORT MY BUSINESS AND TECHNOLOGY TEAMS TO EMBRACE CHANGE AND WORK TOGETHER TO DELIVER RAPID INNOVATION AND ENTERPRISE ABILITY?

Working with Deloitte is not outsourcing change to external consultants; instead, it's gaining the expertise and tools you need to set a course to Cloud, track your progress, and sustain a productive change-management journey. By leveraging existing IT and equipping leaders with core competencies to lead people through change, organizations are able to prepare their teams for new-world realities.

Step into your Cloud role with confidence

Business as usual left behind. Because Cloud is not business as usual, taking advantage of outside expertise is essential. To analyze where you are now and where Cloud can take you requires analytics and insights from experts with deep experience. Breaking out of the old ways is only feasible with a trusted, experienced partner. Deloitte has been helping organizations world-wide to envision and execute Cloud transformations with vigilance, multidimensional thinking, and unrelenting commitment to delivering value.

CIOs drive leader-led change

Tunnel vision left behind. The Deloitte 2020 Global Leadership Study including 1,300 participants across 69 countries and 22 industry sectors found that 69% of respondents expect tech leaders to be instigators of organizational change.[1]

While CIOs have a key role to play, leaders across the organization need to take an active role in helping employees understand Cloud strategy, embrace upskilling and development, and new ways of working. As organizations embrace Cloud, leaders across the business and IT need to work together, often in a DevOps environment, to build new ways of collaborating, developing product, and innovating.

Cultural transformation

Old-school hierarchies left behind. Because your culture defines who you are as an organization, cultural change requires redefinition—in more than words alone. Culture is the way work gets done. Culture is the behavior, techniques, experiences, and values the organization works every day to sustain, repeat, refine, and pass on to new employees.

Modernizing work means moving away from scripted Taylorism to a culture of empowerment and Agility. Shifting workforce practices to worker preferences, working styles, and personal needs is foundational to cultural transformation. At the same time, new reward structures that acknowledge individual change and growth—and collaboration excellence—accelerate change that supports transformation.

Organizations poised to unlock value from culture change are asking:

> **WHAT IS THE CURRENT LEVEL OF READINESS TO SUPPORT THE CULTURAL SHIFT TO OPERATING IN A MORE AGILE ENVIRONMENT?**

> **HOW CAN WE CREATE A CULTURE OF CONTINUOUS IMPROVEMENT?**

Cloud transformation fundamentally changes the way people work and therefore demands significant behavioral change. Cloud-enabled work thrives on collaboration. Replacing traditional function-based teams build around hierarchies with multidisciplinary squads focused on product outcomes is one way cultural change improves productivity. When employees feel they're doing meaningful work with others and have the tools they need to collaborate on product development, culture is business strategy brought to life.

Organizational culture can also inhibit growth and undermine leaders' attempts to drive change. Companies prevent stagnation when leaders activate change across the organization with the right tools and expertise. Deloitte employs analytics-based insights to help organizations manage culture change and equip the workforce with competencies for capitalizing on your technology investments.

Work re-architecture

Standardized workforce processes left behind. Reaching Cloud capacity and the necessary organization's operating model changes is central for delivering products and services. Taking small steps over years, so costly and wasteful, is a thing of the past. Half measures waste time and delay ROI. Thriving organizations don't evolve—they reinvent. To truly become human at their core, organizations are re-architecting work across the enterprise, collaborating with business and other functional leaders to reimagine work.

Work changes as a consequence of having new tools. Doing Cloud right means empowering people to use artificial intelligence and machine learning to make impacts in new ways. The "Superteams" trend from the Deloitte Human Capital Trends report finds that pairing people with technology in more human ways has a key role to play in re-architecting work to achieve greater efficiency:

> "...the insurance industry is using AI and predictive modeling to assist underwriters with data-driven risk assessment. Underwriters don't have to become tech experts or data scientists to use and benefit from the technology. They only need to understand how and when to leverage AI-assisted solutions to accomplish the work more effectively."[1]

Organizations poised to unlock value from work redesign are asking:

HOW DO WE REDESIGN WORK AS A COMPETITIVE ADVANTAGE FOR GLOBAL LEADERSHIP?

HOW CAN WE CREATE MORE OPPORTUNITIES FOR LEARNING, FUN, CREATIVITY AND MEANING AT WORK?

HOW CAN PEOPLE, DATA, AI, AND MACHINE LEARNING COMPLEMENT EACH OTHER'S CAPACITIES?

Executives are reimagining work and preparing their organizations to thrive while adapting to change with four key strategies:

Empowering workers with agency and choice over what work they do, unleashing their potential by allowing them to apply their interests and passions to organizational needs

Integrating humans and technology so teams use their complementary capabilities to re-architect work in more human ways

Using real-time workforce insights that can support better, faster decisions. While off-Cloud work enables monthly or annual deployment of new products and services, on-Cloud deployment can be hourly, daily, and weekly

Embracing an enterprise mindset that prioritizes re-architecting work to capitalize on unique human strengths[2]

The new world of work revolves around more choice about when and where people complete their work. Models have reimagined flexibility to include trusting employees to determine their work environments and empowering them to discover emergent capacities.

Critical workforce priorities

Rigidity left behind. Critical workforce priorities emphasize client, customer, and end-user awareness—and creativity that relies on critical thinking, emotional intelligence, and collaboration.[3] As a result, Intelligence Quotients and Emotion Quotients are making way for Adaptability Quotients: the ability to work in Agile-empowered, multidisciplinary, entrepreneurial teams.

Workers have something that doesn't appear on a resume

Value-add left behind. People bring capabilities that add value to the organization, but the organization must invite and enable individuals' value to *multiply*. The new workforce must be more empowered to explore, trusted to test and learn, invited to collaborate in multidisciplinary teams, and supported in their collaborative and individual efforts.

Uniquely Deloitte

Multidimensional solutions across borders and industries

Deloitte's Cloud transformation teams collaborate with your organization to map and execute leader-led change, focusing on operating model, workforce, culture, and work re-architecture.

Deloitte Enablers of ROI chart a clear a path to maximizing returns from Cloud transformation. A case in point: Deloitte Human Capital partnered with a banking enterprise to deploy an adaptable strategy to meet customer needs as they changed and to take advantage of market opportunities as they emerged.

A multidimensional solution addressed the client's operating model, culture, change management, Agile workforce innovation, organization design, and technology requirements.

Value Delivered:

Highly engaged and collaborative teams that value communication over processes & tools

Fast moving teams responsive to changes in strategy, regulation, and customer needs

New mindset for creative thinking, innovation, experimentation and "fail/learn fast"
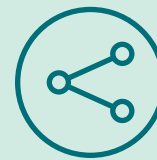
Iterative development for faster proof of concept and value delivery: three-fold increase in average development velocity

30%
reduction of effort needed for governance activities

278
improvements identified for the transformation roadmap

21%
reduction in scope due to Agile prioritization

180%
improvement in net promoter scores across teams

Deloitte solutions unlock business value across your organization

Put these tools to work to help your enterprise think big, start small, and scale fast.

Adaptable Organization Network Analysis Assets
A survey-based platform that examines network connections to shed light on the informal organization that is not visible in org charts

Cloud Workforce Analytics
For making better talent decisions, designing training, shifting roles, and targeting new hires

Value Stream Mapping
Identifies where you can eliminate waste and bring efficiencies to life

ChangeScout
Accelerates and simplifies complex change programs in real time

Digital DNA
Identifies current capabilities, visualizes your organization's current digital DNA maturity for each of the 23 traits, and prioritizes a few imperative digital traits needed by the enterprise

Cloud Transformation Framework
Helps provide a structured and coherent approach for establishing and maturing capabilities for the Cloud transformation lifecycle

DevOps Automated Provisioning
Delivers computing capacity on-demand without manual intervention. Provides the foundation for a flexible, extensible infrastructure with dynamic resource allocation across the enterprise, enabling app delivery at the speed of digital services

Deloitte is recognized as a global leader

Deloitte knowledge and experience crosses borders and markets with assessment tools and solutions informed by cultural expectations and regulatory policies.

Deloitte named a global leader in Public Cloud Infrastructure Professional and Managed Services based on completeness of vision and ability to execute[4]

Deloitte named a global leader in Communications and Change Management Consulting based on breadth and depth of capabilities[5]

Deloitte named a global leader in Workforce Management Consulting based on breadth and depth of capabilities[6]

Deloitte named the undisputed global leader in IT Operations Consulting based on breadth and depth of capabilities[7]

Contacts

Contact one of our leaders and they will connect you with the right professional based on where you are on your journey.

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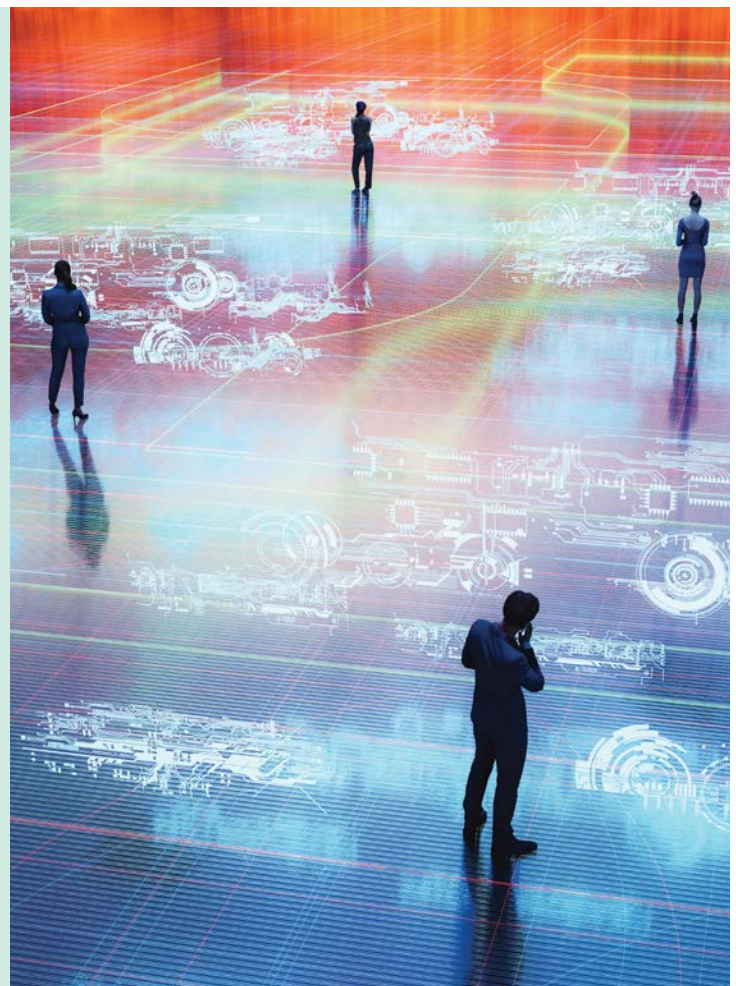
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